

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NO. 94-685-C - ORDER NO. 95-549 ✓
FEBRUARY 24, 1995

IN RE: Request of AT&T Communications for Approval of Revisions to its General Services Tariff to Introduce its Directory Assistance Service and Directory Link Service in South Carolina (REF: TN 94-287).) ORDER) APPROVING) REVISIONS) TO) TARIFF)
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This matter comes before the Public Service Commission of South Carolina (the Commission) on the October 17, 1994 request of AT&T Communications of the Southern States, Inc. (AT&T or the Company) for approvals of revisions to its General Services Tariff. The purpose of the revisions is to introduce AT&T's Directory Assistance Service and Directory Link Service in South Carolina. Additionally, AT&T seeks a waiver of Commission Order No. 87-650, which will allow it to offer these proposed services.

Intervening in the Tariff filing were MCI Communications, Inc. (MCI), Sprint Communications Company, L.P. (Sprint), and Southern Bell Telephone and Telegraph Company (Southern Bell). MCI later withdrew its intervention and Sprint elected not to participate in the hearing.

A hearing was held on February 7, 1995, at 11:00 a.m. in the offices of the Commission with the Honorable Rudolph Mitchell, Chairman, presiding. The Applicant AT&T was represented by Francis P. Mood, Esquire and Roger Briney, Esquire. AT&T presented the testimony of Richard Guepe. The Intervenor Southern Bell was

represented by Harry M. Lightsey, III, Esquire and Nancy White, Esquire. Southern Bell presented the testimony of Joseph A. Stanley, Jr. The Commission Staff was represented by F. David Butler, General Counsel. The Commission Staff presented no witnesses at the hearing.

AT&T presented the testimony of Richard Guepe in support of its request. According to Guepe, AT&T is proposing to offer Long Distance Directory Assistance Service and Directory Link Service to South Carolina consumers. Directory Assistance (DA) allows customers to request information from Directory Assistance records. Directory Link Service allows customers calling AT&T Directory Assistance to have the requested long distance telephone number dialed automatically without having to hang up and dial the number themselves. Guepe testified that a customer would access AT&T's Directory Assistance by dialing 10288+1+803-555-1212 or 10288+0+803-555-1212. The 10288 customer access code uniquely identifies AT&T as the service provider for the customer and has been available for interLATA access to the AT&T network since the divestiture. IntraLATA access to the AT&T network has been available since the Commission issued Order No. 93-462, dated June 3, 1993. Customers access AT&T Directory Link Service by calling AT&T Directory Assistance. The caller is then advised that AT&T can automatically complete their call to the number they request for an additional charge. The caller is prompted to press 1 to accept or press 2 to decline the option. If the customer accepts this option, he or she will be connected to the Directory Assistance operator and receive the requested telephone number.

The number will then be dialed by AT&T. If the option is not selected, the call will be treated as a standard Directory Assistance call.

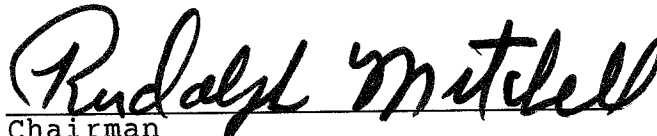
Guepe testified that Commission Order No. 87-650 denied a request by AT&T to increase its intrastate interLATA directory assistance rate and instead approved a proposal by Southern Bell to provide intrastate intraLATA and interLATA directory assistance at a rate lower than that proposed by AT&T. The Order applied to all Local Exchange Companies (LECs) providing intrastate DA service and directed that all 803-555-1212 calls be routed to the LECs. Since that Order was issued, the Commission issued Order No. 93-462, authorizing intraLATA competition and permitting customers to select their intraLATA service provider by dialing 10XXX before the desired number. In doing so, the Commission determined that competition served the interest of the South Carolina consumer. According to Guepe, South Carolina consumers now routinely choose their carrier of choice for interexchange services by dialing 10XXX. AT&T alleges that denying consumers this ability for any service undermines intraLATA competition and more significantly both confuses and annoys customers. According to AT&T, consumers deserve both choices. Guepe, therefore, asked the Commission to approve the tariff revisions as filed and to modify Order No. 87-650.

Joseph A. Stanley, Jr. testified for Southern Bell. Stanley pointed out that it was possible to complete a local call through the mechanism described by AT&T. Stanley stated that Southern Bell offers intrastate toll Directory Assistance Service for less than

the proposed AT&T service. Stanley testified that the present tariff is simply an attempt by an interexchange carrier to gradually "chip away" at the Local Exchange Company franchise.

The Commission has examined this matter and believes that the Tariff changes proposed by AT&T are and would be beneficial to the public in South Carolina for the reasons stated by AT&T witness Guepe. The Commission, therefore, approves the Tariff modifications and hereby modifies Order No. 87-650 accordingly. The Commission also holds, however, that the Commission, in approving these Tariff changes, is not approving AT&T's entry into the local market or entry into the local Directory Assistance market. AT&T is hereby ordered to take all reasonable steps to ensure that the service is not marketed as a local service offering or as a local Directory Assistance offering. This Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:


Chairman

ATTEST:


Executive Director

(SEAL)